



CITY DEVELOPMENT PLAN
Background Paper 3

Economic Development

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1.0 Introduction

1.1 Glasgow is Scotland's largest City and a major contributor to the nation's economy, generating over £17bn Gross Value Added each year and supporting over 450,000 jobs. The city has seen significant economic and employment growth over recent years with over 60,000 additional jobs, reinforcing Glasgow's importance in the wider Glasgow and Clyde Valley metropolitan region. The City has the potential to achieve further growth and economic progress, however, in order to achieve this Glasgow must address the challenges it faces such as low productivity, worklessness and vacant and derelict land as well as harnessing and retaining the skills and knowledge developing in its colleges and universities. In order to address these challenges the City Council, in partnership with the Glasgow Economic Leadership Board, has identified a set of priorities for the next ten years. These priorities can be summarised as:

- Encourage greater economic specialisation in order to develop competitive advantage for the city.
- Shared prosperity so that growth benefits all Glasgow's citizens
- Offer an excellent economic environment which aligns the business, physical, cultural and social environment so that innovation and growth can be better supported.

2.0 Background

2.1 A key factor in delivering these priorities is building on recent successes and identifying new opportunities for diversification and growth of the economy. The Glasgow Economic Leadership Board has identified the following key growth areas which shall represent priorities for the Plan:

- low carbon industries
- engineering, design and manufacturing
- life sciences
- financial and business services;
- tourism and events
- higher and further education

2.2 As well as focusing on the growth opportunities there is a need to address and indeed capitalise on the City's industrial legacy, which has left substantial coverage of under-utilised industrial and business land. This should involve investigating what opportunities exist to improve the environment and infrastructure and to investigate alternative uses.

2.3 The city economy has changed significantly over the last 30 years seeing many traditional industries replaced by creative industries, financial and service activity and technology industries. More recently the City's Universities have become pivotal in attracting new investment and jobs. The synergy of Higher and Further Education facilities and NHS facilities, particularly in terms of growth sectors and knowledge, will be an important factor to encourage in the long term.

3.0 National and International Planning Context

European Commission

3.1 In its publication "Cities of tomorrow" (October 2011), the European Commission states that "Cities are the key to sustainable development. More than two thirds of the European population lives in urban areas. Cities are places where both problems emerge and solutions are found. They are fertile ground for science and technology, for culture and innovation, for individual and collective creativity, and for mitigating the impact of climate change. However, cities are also places where problems such as unemployment, segregation and poverty are

concentrated.” At an economic policy level the document sets out a vision of a European city that is:

- a place of attraction and an engine of economic growth.

UK Government

3.2 The Scottish Government supports the five guiding principles of sustainable development set out in the UK shared framework for sustainable development. The five principles are:

- living within environmental limits,
- ensuring a strong, healthy and just society,
- **achieving a sustainable economy,**
- promoting good governance, and
- using sound science responsibly.

Scottish Government Economic Strategy

3.3 Increasing sustainable economic growth is a key aim of the Scottish Government. A growing economy will increase prosperity and establish a fairer and more equal society which is better placed to tackle the social and economic challenges it faces.

Scottish Government’s Strategic Priorities

3.4 The updated Government Economic Strategy gives clear priority to accelerating economic recovery, with a range of measures to tackle unemployment and promote employability. Actions should focus on six Strategic Priorities which will drive sustainable economic growth and develop a more resilient and adaptable economy. These priorities are:

- Supportive Business Environment;
- Transition to a Low Carbon Economy;
- Learning, Skills and Wellbeing;
- Infrastructure Development and Place;
- Effective Government; and
- Equity.

National Planning Framework (NPF) 2 & 3

National Planning Framework 2

3.5 NPF2 reiterates the “importance of place” that the first National Planning Framework saw as key to a modern knowledge economy. It explains that “Businesses choose to locate where they can recruit well-educated, talented people and capital flows to places which have the sort of physical and social infrastructure which supports innovation. Well qualified, creative people are attracted to places which offer a variety of economic opportunities, a stimulating environment, amenities for a wide range of lifestyles and good connections to other high quality places. Successful places have strong, positive identities. They are cosmopolitan, well connected and diverse, offering opportunities for a wide range of creative interaction. The environmental quality, built heritage and cultural life of Scotland’s cities and towns are therefore strong economic assets and planning policies must place emphasis on supporting and enhancing them.”

3.6 The National Planning Framework 2 (NPF2) sets out a spatial development strategy to 2030 for Scotland. The key aims of the strategy are to:

- contribute to a wealthier and fairer Scotland by supporting sustainable economic growth and improved competitiveness and connectivity;
- promote a greener Scotland by contributing to the achievement of climate change targets and protecting and enhancing the quality of the natural and built environments;
- help build safer, stronger and healthier communities, by promoting improved opportunities and a better quality of life; and

- contribute to a smarter Scotland by supporting the development of the knowledge economy.
- 3.7 NPF2 identifies the River Corridor, which incorporates Clyde Gateway, the City Centre and the Clyde Waterfront as a national regeneration priority and identifies national developments, including the West of Scotland Strategic Rail Enhancements (WSSRE); a High-Speed Rail Link (HSR) to London; the Central Scotland Green Network; the Metropolitan Glasgow Strategic Drainage Scheme; and Commonwealth Games Facilities and Infrastructure. The WSSRE and HSR are longer term projects.
- 3.8 The main elements of the Government’s spatial strategy for Scotland through to 2030 are to:
- ensure that growth should benefit the whole of society.
 - support strong, sustainable growth for the benefit of all parts of Scotland;
 - promote development which helps to reduce Scotland’s carbon footprint and facilitates adaptation to climate change;
 - support the development of Scotland’s cities as key drivers of the economy;
 - expand opportunities for communities and businesses by promoting environmental quality and good connectivity;
 - create a knowledge-driven economy to meet the challenges of the global market.
 - be more competitive based on a skilled workforce, creativity and enterprise and transfer of knowledge into the market place through recognising the role of higher and further education in developing the skills base.
 - support the creative community to maximise economic potential of arts and culture.
 - ensure we are well connected economically, physically, digitally and intellectually to the rest of the world.

(Proposed) National Planning Framework 3

- 3.9 NPF 3 seeks to continue to support sustainable economic growth and encourage economic activity and investment in all communities. It includes Glasgow’s priorities for creating a sustainable, flexible and diverse place.
- 3.10 Employment levels and community resilience vary across Scotland. The Framework sets out that the Scottish Government is committed to reducing the gap between those who are most and least advantaged in society, and this has a spatial dimension.
- 3.11 The Framework sets out to support growth in priority sectors and locations and promote a place based approach to development. It also identifies that focus should be placed on energy resources, tourism, our skilled people, emerging growth sectors like life sciences, creative industries as well as financial services and higher education.
- 3.12 In respect of Glasgow the Framework identifies a range of opportunities and strengths to be built on that should help the city develop to be a successful sustainable place.

Glasgow – Strengths & Opportunities

- Energy;
- Financial Services;
- Universities & Colleges;
- Life Sciences;
- Tourism;
- Creative Clyde Enterprise Area of regionally important vibrant digital quarter;
- High Speed Rail between Glasgow & Edinburgh to strengthen central belt as a more unified economic region in European terms;
- Gateway Role of Glasgow Airport – Economic and Connectivity Benefits;
- City Centre;
- River Clyde Corridor;
- Clyde Gateway and the Urban Regeneration Company;

- Simplified Planning Zone (Hillington)
- Improved Quality of Place;
- Addressing Inequalities, Health & Wellbeing; and
- Community Growth Areas.

Scottish Planning Policy (SPP)

- 3.13 The Scottish Government's Scottish Planning Policy (SPP) states that the planning system has an important role in supporting the achievement of sustainable development through its influence on the location, layout and design of new development. More specifically, it requires decisions on the location of new development to promote regeneration and the re-use of previously developed land; reduce the need to travel and prioritise sustainable travel and transport opportunities; promote the development of mixed communities; take account of the capacity of existing infrastructure; and prevent further development which would be at risk from flooding.
- 3.14 Planning Authorities are expected to ensure there is a range and choice of marketable sites and locations for businesses in development plans. The supply should meet business needs, be serviced or serviceable within 5 years, be accessible and have a secure planning status. The SPP goes on to state that the supply should be reviewed regularly and where identified sites are no longer marketable they should be reallocated for another use.
- 3.15 Whilst growth sectors are identified as priorities, it is recognised that achieving environmental quality is important in attracting investment into all areas and will encourage economic opportunities.

Creating Places – A Policy Statement on Architecture and Place for Scotland

- 3.16 Scotland's new policy statement on architecture and place sets out the comprehensive value good design can deliver. Successful places can unlock opportunities, build vibrant communities and **contribute to a flourishing economy**. The document contains an action plan that sets out the work that will be taken forward to achieve positive change.

4.0 Strategic context

Glasgow and Clyde Valley Strategic Development Plan

- 4.1 The SDP sets out a shared spatial vision and strategy for the SDP area, which gives physical expression to the Glasgow and the Clyde Valley Community Planning Partnership's corporate vision. It promotes a compact city model which comprises five key components:
- **Economy** – an emphasis on the City Centre and other key employment locations, well served by sustainable transport both within the City and beyond.
 - **Urban fabric** – the renewal of the urban fabric and excluded communities through: the recycling of brownfield land; use of passive, carbon-neutral energy efficient building standards; agglomeration and density; and a network of centres as the focus for economic activity, social and community life.
 - **Infrastructure** – the promotion of sustainable transport and active travel networks and new and upgraded water and drainage infrastructure.
 - **Environment** – a focus on green infrastructure and open space, both formal and informal, providing green corridors, pathways, playing spaces, parks, trees and natural green spaces, helping improve the living environment, provide opportunities for healthy living and aid competitiveness.
 - **Energy** – the promotion of decentralised energy generation based on alternative technologies to exploit opportunities for combined heat and power.
- 4.2 The SDP use a number of core spatial components to reinforce the compact city model. This includes:
- The Development Corridor

- Community Growth Areas
- Green Network
- Network of Strategic Centres
- Strategic Economic Investment Locations

4.3 These core spatial components are supported by the City Development Plan's strategic outcomes and objectives and spatial vision.

4.4 The Economy is a key component of the SDP Vision to 2035 with the city centre identified as the city region's economic core with 14% of its total employment and 5% of national employment. The need to improve the connectivity of the city centre through the creation of a high speed rail terminus linking the city to the rest of the UK is also highlighted.

4.5 The SDP identifies a priority set of locations the Strategic Economic Investment Locations (SEILs) within Glasgow. These have been identified around their ability to offer specific roles and functions in economic development. The City Centre is identified as the primary SEIL due to its wide range of activities and sustainable status in terms of accessibility and infrastructure. All of the seven SEILs and their dominant role and function are identified in Schedule 2 of the SDP.

5.0 Glasgow's Sustainable Spatial Strategy

Overview

5.1 A futures visioning exercise was carried out as part of the development work on the Glasgow and Clyde Valley Strategic Development Plan. This helped to develop the shared spatial vision and strategy for the SDP area. The shared vision and strategy is the start point, along with the evidence from the monitoring statement and the outcome of the main issues report, for the creation of the sustainable spatial strategy for Glasgow.

Glasgow City Council Strategic Plan 2012 – 2017

5.2 The Council's strategic plan was approved in spring 2013. There are five priority areas where the Council aims to drive real progress and achievement in Glasgow over the next five years. These are to make sure Glasgow has:

- Economic growth; and is
- A world class city
- A sustainable city
- A city that looks after its vulnerable people
- A learning city.

5.3 The City Development Plan will help to deliver on all of these outcomes. The aim is to align the spatial outcomes for the Plan with the Council's Strategic Plan focus on growth and resilience for the city and our communities. The Council's Strategic Plan also identifies the key medium term priorities for the development of the City as:

- improving the quality of life for everyone in the city,
- a city where there is fairness, diversity and equality for all,
- encouraging organisations and local people to work together in more radically different ways to make this happen,
- promoting Glasgow as a world class city, competing for business, events and investment globally,
- raising attainment in schools and providing training and skills opportunities for all in the city,
- providing greater connectivity for businesses and local people through improved transport, better roads, and better access to the internet and information technology,
- generating innovative investment in the city's infrastructure; and,
- investing in potential business growth sectors such as green and low carbon industries.

Glasgow City Plan 2 – The Local Plan

- 5.4 The current adopted Glasgow City Plan 2's development strategy focuses on promoting brownfield development. The Plan's development strategy is underpinned by three guiding principles – promoting social renewal and equality of opportunity; delivering sustainable development; and improving the health of the City and its residents. City Plan 2 outlines four main topic headings being: people, jobs, infrastructure and environment. It also assesses the progress made in key regeneration areas throughout the City.

Jobs

- 5.5 City Plan 2 outlined that the development strategy would seek to:

- advance social renewal by providing a sufficient range, number and quality of employment opportunities, in locations that can be readily accessed by all City residents, regardless of life circumstances;
- promote sustainability, by locating new business and industrial developments in locations which are easily accessible by foot, bicycle and public transport, thereby encouraging the reduction of pollution and greenhouse gas emissions; and
- improve residents' health by delivering new jobs, and retaining existing ones, thereby helping to improve life circumstances, reduce poverty and foster self-esteem.

6.0 Glasgow City Development Plan - The Local development Plan

Monitoring Statement

- 6.1 The monitoring statement prepared in support of Glasgow Main Issues Report analysed the progress that had been made to date on the delivery of the strategic outcomes and objectives and spatial vision. A number of potential issues that required to be addressed by the local development plan were identified as follows:

- The significant reduction in property investment and development activity as a result of the economic downturn. This will impact on all areas of development.
- The means of delivering infrastructure in the current economic climate.
- Increasing level of unemployment.
- The rationalisation of the City's poorer quality industrial and business areas to achieve a more sustainable land use pattern.
- The volume of vacant and derelict land in the City is not falling as quickly as anticipated in City Plan 2.
- The cumulative impact of major retail development outwith the City Centre.
- Protect and improve local accessibility to shopping and other town centre uses in order to promote sustainable communities and healthy living.
- The economic downturn has meant that funding cuts have jeopardised or limited progress of some education projects.

Main Issues Report

- 6.2 In light of the findings of the monitoring statement the preferred Spatial Strategy identified through the Main Issues Report (MIR) focuses on renewal and regeneration, but with an enhanced emphasis on sustainable development, health, climate change mitigation and adaptation and placemaking. As with City Plan 1 and 2, the focus of the strategy is on promoting brownfield development. The MIR identified 6 key themes to further develop:

1. Sustainable Use of Resources;
2. **Sustainable, Strong Economy;**
3. Sustainable, Strong Communities;
4. Sustainable Connections;
5. Sustainable Environment; and
6. Sustainable Design

6.3 The policy framework proposed at the MIR stage reflected the need for:

- a continuing focus on the development of brownfield land over Greenfield;
- continuing to direct major investment to the City Centre to reinforce it's role as the core of the city and wider region and to capitalise on it's accessibility by public transport and other sustainable modes;
- a network of other centres which provide a variety of uses and will provide a focus for economic and community life in their areas and for sustainable transport systems;
- a portfolio of attractive business and industrial sites offering a high quality environment for new and existing businesses and jobs for residents and others;
- prioritisation in the current economic environment, choices will need to be made about where greatest impact from public investment can be derived; and effective partnerships between the public, private and third sectors and communities, and across disciplines, are likely to be critically important in ensuring the long-term success of regeneration projects.

6.4 **MIR Issue – Industrial and Business Land Supply:** the LDP MIR stated that the city's industrial land supply will be reviewed to focus on sites which benefit from good access to the strategic road network and benefit from high public transport accessibility. A programme of site visits has been undertaken. The next stage will involve finalising:

- Marketable and Potentially Marketable Sites within Business Areas to be safeguarded for Employment Use.
- Marketable sites located within Business Areas that may be subject to change in the future (e.g. where there may be an aspiration to improve their physical quality or a prospect of introducing other land uses)
- Sites that have been identified for other uses and have therefore fallen out of the land supply.

6.5 **MIR Issue - Review of Industrial and Business Areas:** the LDP MIR undertook to review the physical characteristics of all areas designated for Industry and Business in City Plan 2 with a view to identifying areas where change may be appropriate. Site Visits and reviews have been undertaken leading to the categorisation of all Industrial and Business Areas in CP2 as follows:

- **Green:** stable Employment Locations
- **Amber:** areas which retain an important employment function but where there may be scope for change depending on the outcome of further study /Spatial Supplementary Guidance.
- **Red:** areas where a change of designation is considered appropriate

6.6 The next stage is to assess each area in terms of development activity, employment data, vacancy rates and links to multiple deprivation and work with GCC Business and Economy and other stakeholders in order to identify:

- how the locational requirements of the growth sectors set out by Glasgow Economic Leadership can be met by the city's existing industry and business areas.
- which of the city's City Plan 2 industry and business areas should be retained as employment locations and which provide an opportunity to broaden the range of uses. In undertaking this review, the interests of existing businesses in these areas will be safeguarded.

6.7 **MIR Issue: Protecting Existing Jobs in Industrial and Business Areas:** the MIR preferred option was to explore the potential to secure developer contributions where existing businesses are displaced by other uses as a result of change to industrial and business area designations. Progress on this MIR Issue will be dependant on the Review of Industrial and Business areas outlined above.

6.8 **MIR Issue – Monitoring of Industrial and Business Activity:** monitoring to provide a time series revealing trends in development activity is ongoing.

6.9 **MIR Issue – Safeguarded High Amenity Locations:** SPP states that Scottish Government no longer requires the identification of large strategic single user sites. Therefore this issue is no longer relevant.

Considerations for the Emerging Plan

6.10 Following consultation on the Main Issues Report the consensus was to adapt and simplify the 6 themes into four overarching outcomes. This would all align with the Council's single Outcome agreement. The Plan therefore recognises that there are significant issues which are common to all parts of the City.

- a thriving and sustainable place to live and work ;
- a connected place to move around and do business in;
- a vibrant place with a growing economy;
- a green place

6.11 The Plan aligned with the Economic Development Policy aims to offer an integrated approach to creating well designed, flexible places where people want to work and invest in. Priority shall be given to the growth sectors and encouraging these to locate appropriately in terms of strategic and national designations as well as the Plan's spatial priorities. Aligned to this, priority shall be given to protecting the SEIL's and encouraging the preferred activities identified in the Strategic Development Plan.

6.12 The Plan should look beyond the traditional industry and business focus for economic development and consider the role of the city and town centres. It is critical to the City's future economic wellbeing that the potential for growth in the knowledge based economy offered by higher and further education institutions and hospitals is realised, encouraging businesses to locate and benefit from a skilled and well educated workforce.

6.13 A major action shall be reviewing existing economic areas and this will inform options for identifying areas of protection, improving areas through environmental or infrastructure work or consideration of introducing alternative uses. However, a key factor in this shall be protecting existing jobs. The review sites are outlined in appendix 1 of this report.

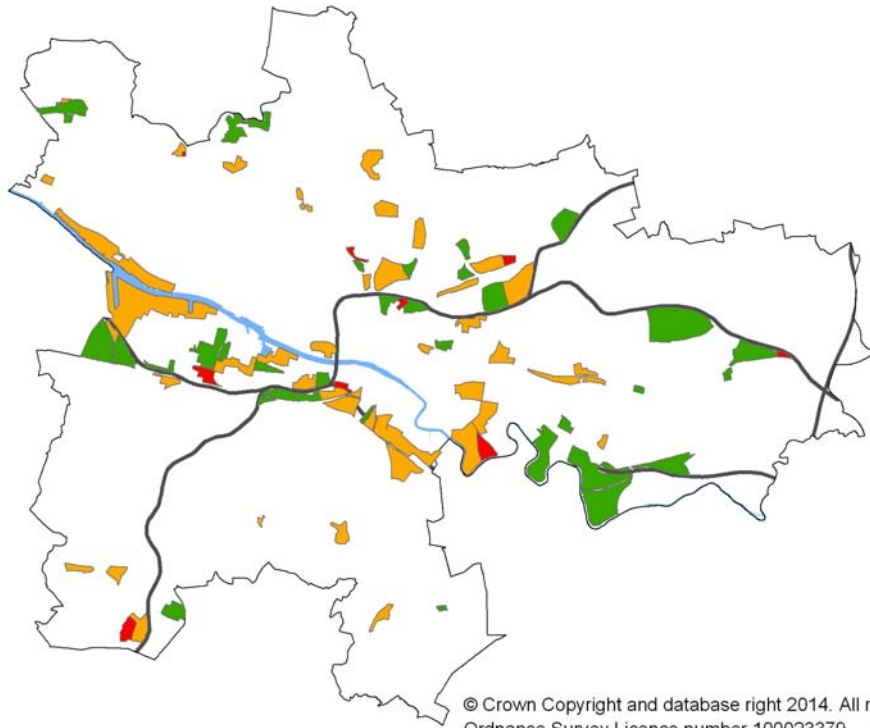
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APPENDIX 1 - Background Paper 3
Review of Existing Industrial and Business Areas in Glasgow

Ref	Area	SIZE_HA	R A G
1	Drumchapel	1.81	Orange
1	Drumchapel	28.85	Green
2	Anniesland Industrial Estate	4.57	Orange
2	Anniesland Industrial Estate	0.71	Red
3	New Albion Industrial Estate	4.35	Orange
4	South Street	80.60	Orange
5	Dawsholm Industrial Estate	11.26	Orange
6	West of Scotland Science Park (SEIL)	32.77	Green
7	Enterprise West Media Park	2.97	Orange
8	Chapel Street Industrial Estate	1.08	Orange
9	Shuna Street/Shuna Place	1.79	Orange
10	Balmore Industrial Estate	20.99	Orange
11	Possilpark Industrial Estate	16.24	Orange
12	Oakbank Industrial Estate	3.63	Green
13	Garscube Industrial Estate	4.78	Orange
14	Finnieston	14.54	Orange
15	Townhead/Cowcaddens	21.92	Green
15	Townhead/Cowcaddens(B)	3.86	Red
16	Port Dundas	35.01	Orange
17	M8 Foodpark	7.37	Green
18	Cowlairs Industrial Estate	15.91	Orange
19	Atlas Industrial Estate	8.29	Green
20	Petershill Road/St Rollox	7.14	Green
21	Petershill Road	19.96	Orange
21	Petershill Road	5.61	Red
22	Charles Street	10.79	Orange
23	Blochairn Industrial Estate	32.25	Green
23	Blochairn Industrial Estate (B)	39.03	Orange
24	Alexandra Parade	13.59	Orange
25	College Business Park/Wellpark (Brewery)	7.41	Green
25	College Business Park/Wellpark	4.48	Orange
26	Glenpark/Duke Street	15.73	Orange
27	Nova Technology Park (SEIL)	27.23	Green
28	Shettleston Road	21.22	Orange
29	Carntyne Industrial Estate	7.70	Orange
30	Annick Street Industrial Estate	3.40	Green
31	Queenslie Industrial Estate	94.76	Green
32	Glasgow Business Park	33.23	Green
32	Glasgow Business Park	3.20	Red
33	Baillieston Distribution Centre	4.25	Green
34	London Road/Carmyle Avenue	37.04	Green
35	Cambuslang Investment Park	117.76	Green
36	Causewayside Street	4.31	Orange

Ref	Area	SIZE_HA	R A G
37	Tollcross	7.46	Green
38	Westhorn/London Road	42.34	Green
39	Brook St/Crownpoint Rd/London Rd	23.22	Orange
40	Nuneaton Street/London Road (Clyde Gateway) (SEIL)	23.09	Green
41	Swanston Street/Dalmarnock (Clyde Gateway) (SEIL)	43.69	Green
41	Swanston Street/Dalmarnock	15.49	Red
42	Dixon's Blazes	60.12	Orange
43	Polmadie	33.64	Orange
44	Glenwood Business Park	2.22	Green
45	Drakemire Drive	10.33	Orange
46	Cathcart	13.06	Orange
47	Pollokshaws	1.70	Orange
47	Pollokshaws	0.20	Red
48	St Andrews Industrial Estate/Pollokshaws Road	3.79	Green
49	Kilbirnie Street	24.45	Orange
50	Tradeston	11.12	Orange
50	Tradeston	5.15	Red
51	Kinning Park Industrial Estate	8.89	Green
52	Scotland Street/Milnpark Street	13.70	Orange
53	Vermont St/McLellan St/Kinning Park	23.61	Green
54	Academy Park/Gower Street	4.03	Green
55	Pacific Quay (SEIL)	20.92	Orange
56	Govan Road/Brand Street	9.56	Green
57	Woodville Street	20.94	Orange
58	Moorpark	7.43	Green
59	Helen Street/Loanbank Industrial Estate	33.65	Green
60	Elderpark Workspace	1.26	Green
61	Helen Street (South)	13.37	Red
62	Craigton Industrial Estate	8.83	Orange
63	Drumoyne Road/Meiklewood Road	7.59	Green
64	Shieldhall	140.97	Orange
65	Cardonald Park	22.42	Green
66	Hillington Industrial Estate	47.71	Green
67	South Nitshill Industrial Estate	8.76	Orange
68	Darnley Industrial Estate	10.77	Orange
69	Darnley Mains	17.76	Orange
69	Darnley Mains	13.87	Red
70	Thornliebank Industrial Estate	16.88	Green
71	Applecross Street	4.29	Red



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